

118 A [Chas. van Patten] 7.6 R1552 W5 P 7/10

Brief Account

Of the Intended

BANK OF ENGLAND.

L O N D O N,

Printed, and are to be Sold by
- Randal Taylor, near Stationers-Hall,

1694.

Chas



A
BRIEF ACCOUNT

Of the Intended

Bank of England,

TH E want of a Bank, or publick Fund, for the convenience and security of great Payments, and the better to facilitate the circulation of Money, in and about this great and oppulent City, hath in our time, among other Inconveniencies, occasion'd much unnecessary Credit, to the loss of several Millions, by which Trade hath been exceedingly discourag'd and obstructed: This, together with the height of Interest or Forbearance of Money, which for some time past hath born no manner of proportion---to that of our Rival Neighbors, and for which no tolerable Reason could ever be given either in Notion or Practise, considering the Riches

and Trade of *England*, unless it were the want of publick Funds ; by which the Effects of the Nation, in some sort, might be disposed to answer the Use, and do the Office of Money, and become more useful to the Trade and Improvements thereof.

These, and such as these, were the Causes that the Nature and Use of Banks and Publick Funds ; have been the Discourse and Expectation of many Years ; but all this while our more refined *Politicians* assured us, that we must never think of settling *Banks* in *England* without a *Common-wealth* : And this Notion became so universal, that it was a matter of derision, for any one to seem to be of a contrary opinion. *Thus the modish vein, of Farce and Ridicule, so prevalent over the Morality, Virtue, and Reason of our Times, had like to have deprived us of this.*

But the notion of Banks and Publick Funds were entertained by some mercurial Heads, who finding the main Objection against them in *England* to be, the danger of Violence from the Prince, they therefore invented certain imaginary Banks and Funds, *which they designed to settle far enough from the Prince's reach, or any bodies else.* The first Design of this nature was,

was, to turn a Lumbard into a Bank, and to that end they cried down the use of Gold and Silver, and up that of other Materials in lieu thereof ; but when they found the World very unwilling to leave their old way without a better Reason, or something more enticing, they run from their new Mistake to an old one, which was, *That the Stamp or Denomination gives or adds to the value of Money.* With this they resolved to run counter to all Mankind ; yea, they would anticipate Ages, and attract, or rather imagine, inestimable Value from innumerable Years to come ; all which was to be crammed down Mens Throats as a Punishment of their Infidelity, who could not believe a Lumbard to be a Bank : and here was occasion for the power of an *Act of Parliament* at least, *to conjure every Man's Imagination into the Latitude of theirs.* Thus we see the Genius of some of our Countrymen are as vastly above and beyond, as others are below and beside, the practice of extraordinary things.

Thus between the new-acquir'd Maxims of our modern Politicians on the one hand, and the incomprehensible Notions conceived on the other, it became very scandalous to countenance or ; espouse any thing of a Proposal relating

ting to a *Bank* ; but when this War begun, the Credit of the Nation was low, and the Wits on both sides, found no better nor honeſter way to ſupply the Neceſſities of the Government, than by enhauncing the Price and Intereſt of Money ; the effect of which was, that the Government was obliged to pay from double to treble, or higher Intereſt : The Diſeaſe growing daily worſe, Men were tempted to draw their Effects from Trade and Improvements, and found the beſt and ſecureſt Gain, in making Merchandiſe of the Government and Nation.

For remedy of which it was propoſed ſome years ago, That a publick transferrable Fund of Intereſt ſhould be eſtabliſhed by Parliament, and made convenient for the Receipts and Payments, in and about the Cities of *London* and *Westminſter*, and to conſtitute a Society of Money'd Men for the government thereof, who ſhould be induced by their Intereſt, to exchange for Money, the Assignments upon the Fund, at every demand. In this manner it was propoſed, that the conſtitution of this Fund, ſhould in the practice answer, the End of a publick transferable Fund of Intereſt, of a *Bank*, and of a publick *Lumbard* at once, and a good part of the

the Effects of the Nation, might thereby be render'd useful to the Trade and Business thereof, which would of course, have lower'd the Interest of Money, and prevented the drawing thereof, from the Countries and places remote from Trade. But no sooner was this Proposal stated by a Society of considerable Persons, but the notion of *Currency* was started, and carried so far before it was well perceived or understood by some, that it then proved of pernicious consequence, to the success of this Undertaking : Some understood it only as a Convenience, others, as it seems, it was at the bottom intended, a downright Force, the effect of which would have been, to turn the Stomachs of Mankind against it, *Coertion being of sufficient force, to marr a good thing of this nature*, but never to mend a bad one.

All this while the very Name of a *Bank* or *Corporation* was avoided, tho' the Nature of both was intended, the Proposers thinking it prudent, that a Design of this nature, should have as easie and insensible a beginning as possible, to prevent, or at least gradually to soften and remove, the Prejudices and bad Impressions, commonly conceived in the Minds of Men against things of this kind, before they are un-

understood: but that sort of People, who ought, and in whose power it was, to encourage this Undertaking, could no ways understand it, which put the Proposers, upon heightning the Proposal for Interest, and upon particular Undertakings, for the Sum proposed, which at several times, and upon divers occasions, produced certain narrow and sinister Designs, no way becoming, so noble and universal a Work as this.

As the Proposers found great discouragement from one sort of Men, who could by no means reconcile this Proposal with their own Apprehensions, and the old *Norman* way of borrowing Money; *so others seem'd to understand it too much*, and would only have it proposed at four, or four and an half *per Cent.* whereof three *per Cent.* to be allowed to the Fund, and the remainder for those who should furnish Money to circulate the same, for otherwise, say they, it will quite and clean discourage Land, for every body will be for disposing their Money upon so convenient, clear, and secure an Interest, rather than to expect something more with Trouble and Uncertainties; but afterwards it was found convenient to put it to hazard, and expose so much of the nature of the
 thing,

thing, and its constitution, as was needful to have it espoused in Parliament.

But though the gilded name of a *Bank*, and the popular one of a *Corporation*, became more formidable to the Senses of a sort of People who wanted the Money ; yet what by the instigation of a few, from a Principle of Interest, and of some who are no great Friends to the Government, as from some jealous Apprehensions arising from the newness and strangeness of the thing , divers otherwise well-meaning People, became possess'd with monstrous and frightful Ideas and Conceptions of the Matter, which begot whole Swarms of Objections , which are hardly ever like to be answered, unless it be with one another, or with the Practice , or at least until the Antagonists have reconciled their Positions.

One pretended Patriot comes and tells us, This Design will make the King Absolute, by becoming Master thereof, nor is there any way to prevent it ; For, says he, *Rich and Money'd Men, we find by experience, are naturally timorous and fearful, and are easily brought to comply with the Times to save what they have.* And the keeping of this Fund being of necessity committed to such, the prospect of their Profit, in

conjunction with their natural Easiness, will of course induce them to joyn with the Prince, who is always best able to encourage and support them.

Another comes Cock-a-hoop, and tells ye, That he, or his Grandfire, Uncle, or some of the Race, have been abroad in some Country or other, *and in all their Peregrinations they never met with BANKS nor STORKS any where, but only in Republicks.* And if we let them set footing in *England*, we shall certainly be in danger of a *Common-wealth*. Nay, he goes further, and tells ye, That the very establishing of a *Bank* in *England*, will of course alter the Government, for that is to entrust the Fund of the Nation in the Hands of Subjects, who naturally are, and will always be sure to be of the popular side, and will insensibly influence the Church and State.

Some who pretend to see further into a Milstone than others, will undertake to make it plain, that it will raise and enhance the price of Land, and utterly discourage and ruine Trade; *For by this means, say they, all Real Securities will become current, or near as good as current, in or by the Bank;* which will very much lessen, if not put an end to the Credit of Personal

sonal Securities , for Usurers will be content with such an easie, secure, and convenient Profit, rather than hazard their Principal, and embarrass themselves in Trouble for a greater Interest.

Others of the Learned tell us, That this *Bank* or *Fund* will be so profitable, easie, and secure for Receipts and Payments, that all the Money of the Nation will naturally run into Trade, and none will be left to purchase Lands, since Men may continue their Money in *Bank*, on demand, upon the best Security in *Europe*, and yet have a daily Interest running upon it, *and thus have Trade and a Real Estate at once.*

But to leave the Objectors to confer Notes, reconcile their Notions, and to answer one another , it may be to better purpose to give some brief Account of the Nature of this intended *Bank*, with the good Effects and Consequences which may be expected therefrom ; and in the first place it is necessary to premise whatever our *Notionists* may imagine to the contrary.

1. *That all Money or Credit not having an intrinsic value, to answer the Contents or Denomination*

nation thereof, is false and counterfeit, and the Loss must fall one where or other.

2. *That the Species of Gold and Silver being accepted and chosen by the Commercial World, for the Standard or Measure of other Effects; every thing else is only counted valuable, as compared with these.*

3. *Wherefore all Credit not founded on the Universal Species of Gold and Silver, is impracticable, and can never subsist neither safely nor long; at least till some other Species of Credit be found out and chosen by the Trading part of Mankind, over and above, or in lieu thereof.*

Thus having said what a Bank ought to be, it remains to shew what this is designed, and wherein it will consist. This Bank will consist in a Revenue or Income of Eight per Cent. per Annum, for and upon the Money subscribed; and what Profits and Improvements can be made from the Business or Credit of the Bank, will be also divided among the Proprietors. Thus this Company or Corporation will exceed all others of that kind known in the Commercial World. For here will be Eight
per

per Cent. per Annum certain upon the Capital; and as good and great a probability of other Profits as ever any Company had. And as to the Security of the *Bank*, for such as may intrust their Effects therein, it will be clear and visible, and every way equal to, if not exceeding the best in *Christendom*; for the other *Funds* or *Banks* in the Christian World, at best have only Effects to answer, without pretending to have any thing over: Nor are they Corroborated by the Interests, Property and Estates of Private Men, that of *Genna* only excepted; but this *Bank* will always have Twelve Hundred Thousand Pounds, or One Hundred Thousand Pounds *per Annum*, over and above Effects to answer, whatsoever Credit they may have. For the Company will be obliged never to make any Dividend, but out of the yearly Profits arising from their capital Stock or Fund; nor will they ever make any Dividend out of their Profits, until after some Months notice, that such as apprehend the Security will be weakned thereby, may have opportunity to withdraw their Effects, before the same be made. Thus a Society of Private Men will be obliged by their Estates and Interests, to strengthen and corroborate the publick Security of this Bank.

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As to the common Objection of the danger from Alteration or Changes of Government, This Foundation is grounded upon a Revenue that cannot fail, but with the Nation, settled by Parliament for the uses thereby limited and appointed, it will, for many Reasons both of Right and Interest, become the best and highest Property, grounded upon so just and valuable a Consideration, as the Value paid to Their Majesties, for the use and service of the Government : And there being no Country in *Christendom* where Property hath been more sacred and secure for some Ages past, notwithstanding all our Revolutions, than in *England*, it must needs follow, that nothing less than a Conquest, wherein all Property, Justice, and Right must fail, can any way affect this Foundation : And in such case this would be but in common with every thing else.

Being to shew how this Design may redound to the Benefit of the Trade and Improvements of *England*, we find our *Politicians* have split the Connexion, the better to understand the Text, and distinguish between the Interest of Land and Trade, as they have lately done between that of a King and his People. The Truth on't is, they are possess'd with a sort of fa-

factious Reason, which runs extreamly upon Divisions and Separations ; for when any Principle or Position proves too heavy for their Heads ; they are presently for dividing it, and as it were of spite, because they cannot apprehend themselves : they employ their Faculty to reduce every thing to such Confusion, as not to be understood by any body else : but until our *Politicians* are pleased to shew some better Reasons than they have hitherto done, for their splitting the Interest of Land and Trade, we will leave it as it is, concluding *that they are, and were, and of right ought to be,* in and of one and the same Interest ; and as such we shall consider how this Bank may be beneficial to both.

It is an infallible sign that Money abounds and is plentiful, when the Interest thereof is low ; for Interest or Forbearance is the Price of Money, as it is such ; and if Money be plentiful, People will thereby be enabled and induced to Trade and Purchase, and by the plenty of Money other things must in proportion bear the better Price. And if the Proprietors of the *Bank* can circulate their Foundation of *Twelve hundred Thousand Pounds*

Pounds, without having more than *Two* or *Three Hundred Thousand Pounds* lying dead at one time with another, this *Bank* will be in effect as *Nine Hundred Thousand Pounds*, or a *Million* of fresh Money brought into the Nation ; and *Nine Hundred Thousand Pounds*, or a *Million*, that must have been employed in doing what the *Bank* will supply, may be employ'd to other purposes. And as the Effects in this *Bank* will be a growing and encreasing Money, and bring great Advantage to Trade, by the secure, easie, and convenient way of Receipts and Payments therein : It's Safety from Fire, Thieves, and other Disasters, which Gold and Silver are subject unto : it's giving a Profit upon a great part of the running Cash of the Nation, the practise of which will naturally and gradually lower the Interest of Money, as it has done in *Holland*, *Genova*, and all other places where *Banks* and Publick Funds are used : all which will render it the highest Interest of the Government and People, to preserve, maintain, and improve it in all time to come.

Whatever the groundless Jealousies of Men may be, none can reasonably apprehend any other Consequences of this Design to the Government and Nation, but that it will make
Money

Money plentiful, Trade easie and secure, raise the Price of Lands, draw the Species of Gold and Silver into the Hands of the Common People, as we see it in *Holland*, *Genova*, and other places, where these Funds are accommodated to Receipts and Payments : It will make the Stock or Fund of the Nation go abundantly further than otherwise it could. Thus the Effects of the Nation will, at an easie and reasonable rate, answer the End, and command the use of Ready Money ; that we may be no longer a Prey to consuming Usury ; that the many Landed Men in *England* may be delivered from the Oppressions they too frequently lye under, from the few that have Money : and what ought at all times to command Money readily and easily, will hereby be put in a condition to do it. Nor can it be reasonably supposed to make any alteration in our Government, unless it be to make Property still more fixed and secure, and to link the People more firmly to our English Constitution, and insure them as it were against the itch of Change.

Whatever a sort of People may pretend, who profess themselves to be greater Friends to borrowing than to lending Parliaments, and

whose Talent lies not so much in removing Inconveniencies as in finding them ; Men are the best, truest, and most natural Defenders and Guardians of their own Properties and Estates, and we have hardly ever found the Liberty and Property of *England* wronged, but by such as had no great Share therein, and who for want of Money have often sold what was none of theirs.

It's worth any ones Observation, to take notice, how much, and what sort of unusual Opposition this Proposal has met with ; Why not the like Struglings against that *Chimera* of Survivorships ? Our Funds for Lives, or the late Lottery, which however they have succeeded, the same Funds might have raised double the Money, and been very near as soon paid off ; and these had been Funds beneficial to Trade and the Industry of the Nation ; whereas the other are quite contrary, Nurseries of Idleness, Baits of Vanity, possessing the People with a certain sort of Levity and Giddiness, and filling them with fond Expectations, destructive to their Welfare and future Improvements. But there are three sorts of People, how much soever otherwise their Interest and Humours differ, have, notwithstanding all Civilities shewed

shewed them, unanimously joined issue against this Undertaking. The *Jacobites*, who apprehend it may contribute to lessen their *Monarch of France*, and some few Usurers and Brokers of Money, and the third sort are commonly such as have not wherewith to Trade, unless it be like *Haman* of old, for whole Nations or Peoples at once. But, after all, the Happy Effects of this Undertaking, like almost all other great things in Trade, will be best understood by the Practice thereof, when Time shall convince the Ignorant, and when Men will come to apprehend it as it is ; when these conceived Hobgoblins, frightful Monsters, and horrid Spectres, with which some are possesst about it, shall vanish, cease, and be no more.

To conclude, Reproaches and Aspersions on such a Work as this, is neither new nor strange, as being the common Fate of all good and generous Undertakings, that are, or ever were, in the World, the Nature of Men being bent against every thing which they fancy *Innovation* ; so well, out of a fond and presumptuous Principle, that none knows, or at least ought to know more than they, as out of a natural Unbelief and Suspicion of all they cannot see, *which makes them follow Success, or any thing like it, more than Reason, and Example more than Rule.*

Rule. But the Apprehensions or Difficulties which were in the way, have not discourag'd the Proposers from doing their utmost, to bring the designed Work to perfection, *which seems to be reserved for such a time as this*, the better to enable the *Government and People of England* to revive, recover, and transmit to *Posterity*, the Virtue, Lustre, and wonted Glory, of their Renowned *Ancestors* ; and to lay a Foundation of Trade, Security, and Greatness within this *Kingdom*, for the present and succeeding Ages.

F I N I S.